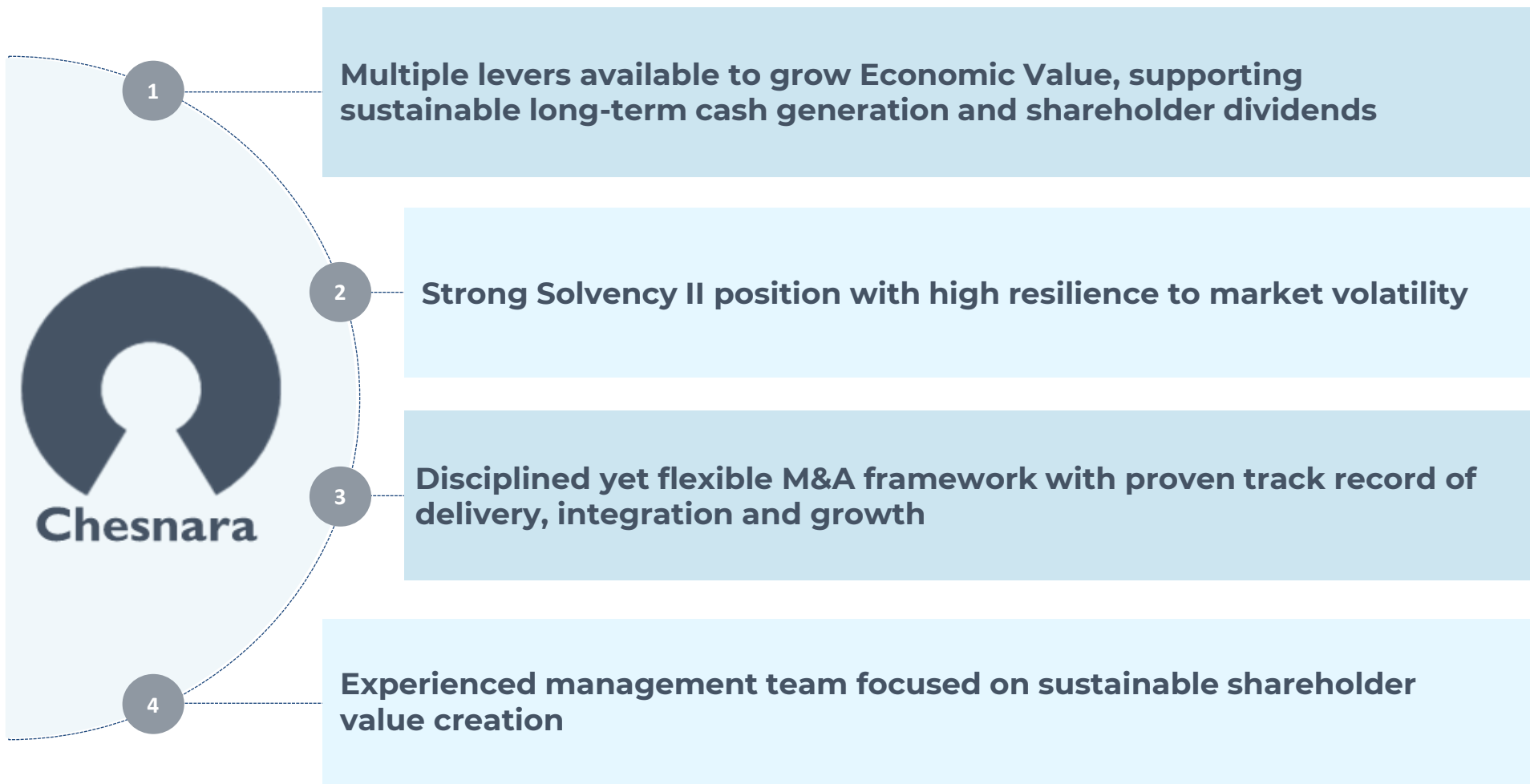


10 September 2024

CHESNARA HY 2024 RESULTS

Strong cash generation and 20 years of uninterrupted dividend growth

CHESNARA CONTINUES EXECUTING ITS RENEWED STRATEGY



FINANCIAL HIGHLIGHTS

CASH RESULT

Commercial cash generation

£29m

HY 23: £22m

CAPITAL POSITION

Solvency II ratio

201%

FY 23: 205%

IFRS leverage ⁽²⁾

30%

FY 23: 29%

FUTURE VALUE GENERATION

EcV earnings⁽³⁾

£20m

HY 23: £33m

IFRS capital base

£458m

FY 23: £487m

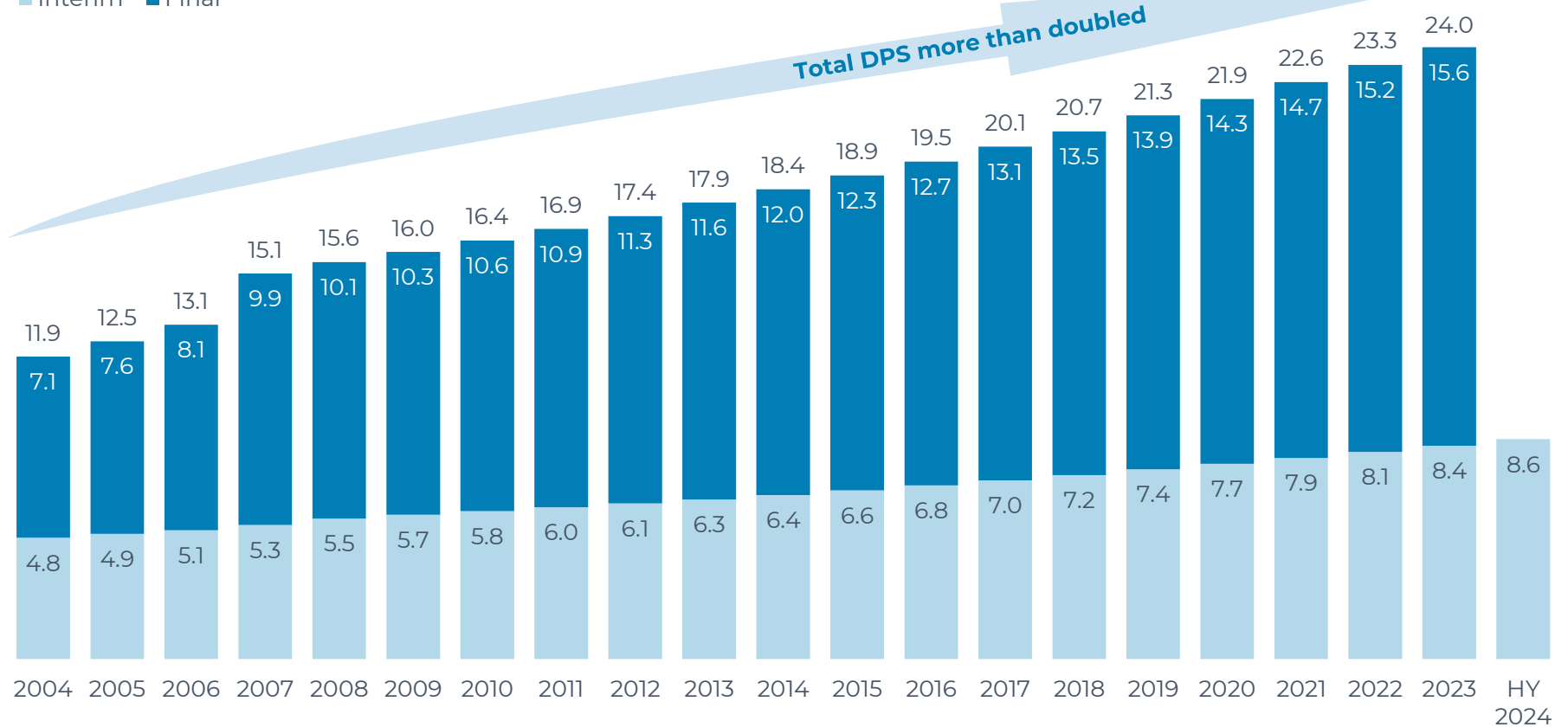
Interim dividend

8.61p per share, **up 3% YoY**

20 YEARS OF UNINTERRUPTED DIVIDEND GROWTH UNRIVALLED IN UK & EUROPEAN INSURANCE⁽¹⁾

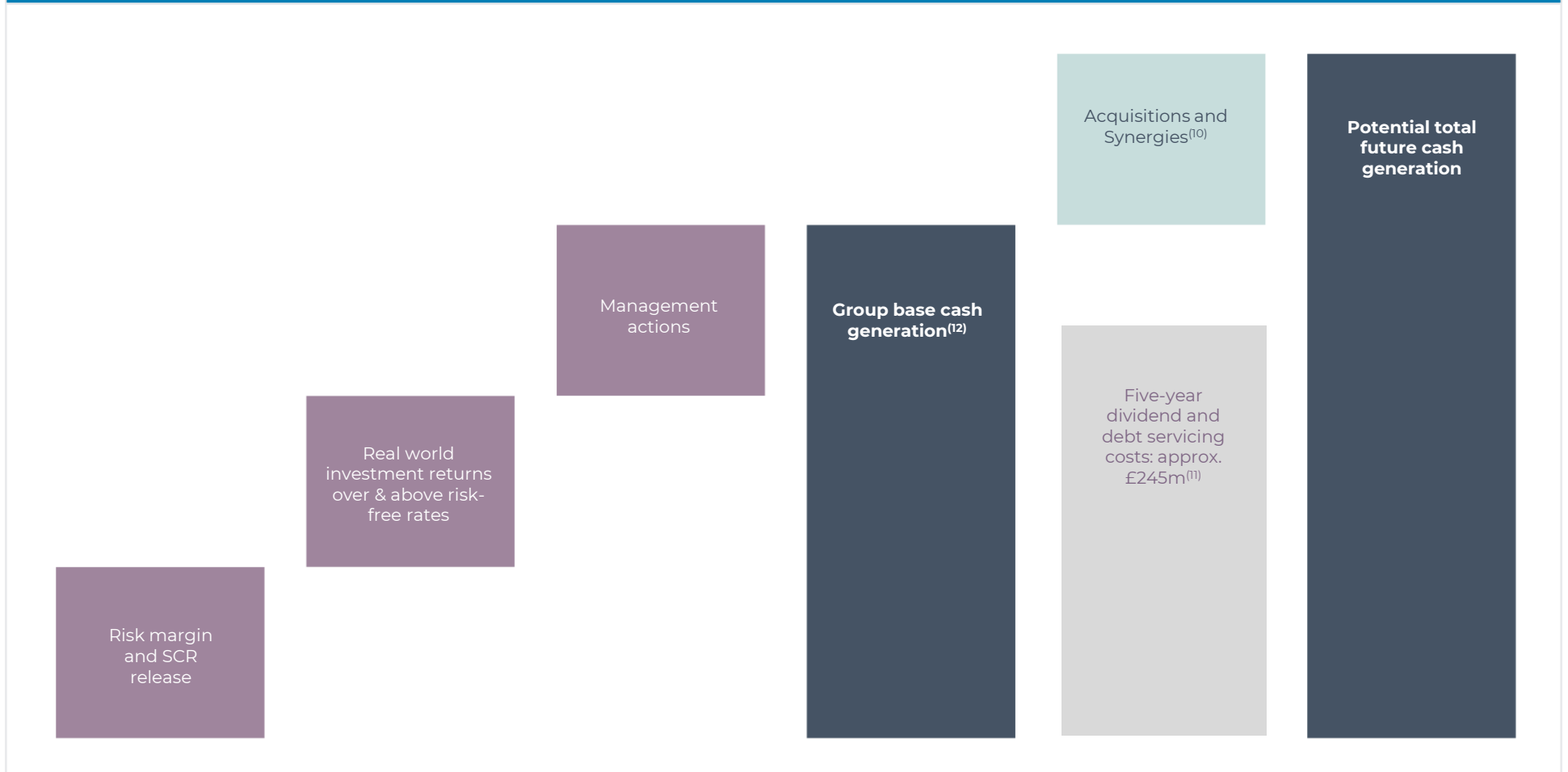
DIVIDEND HISTORY (PENCE PER SHARE)

■ Interim ■ Final



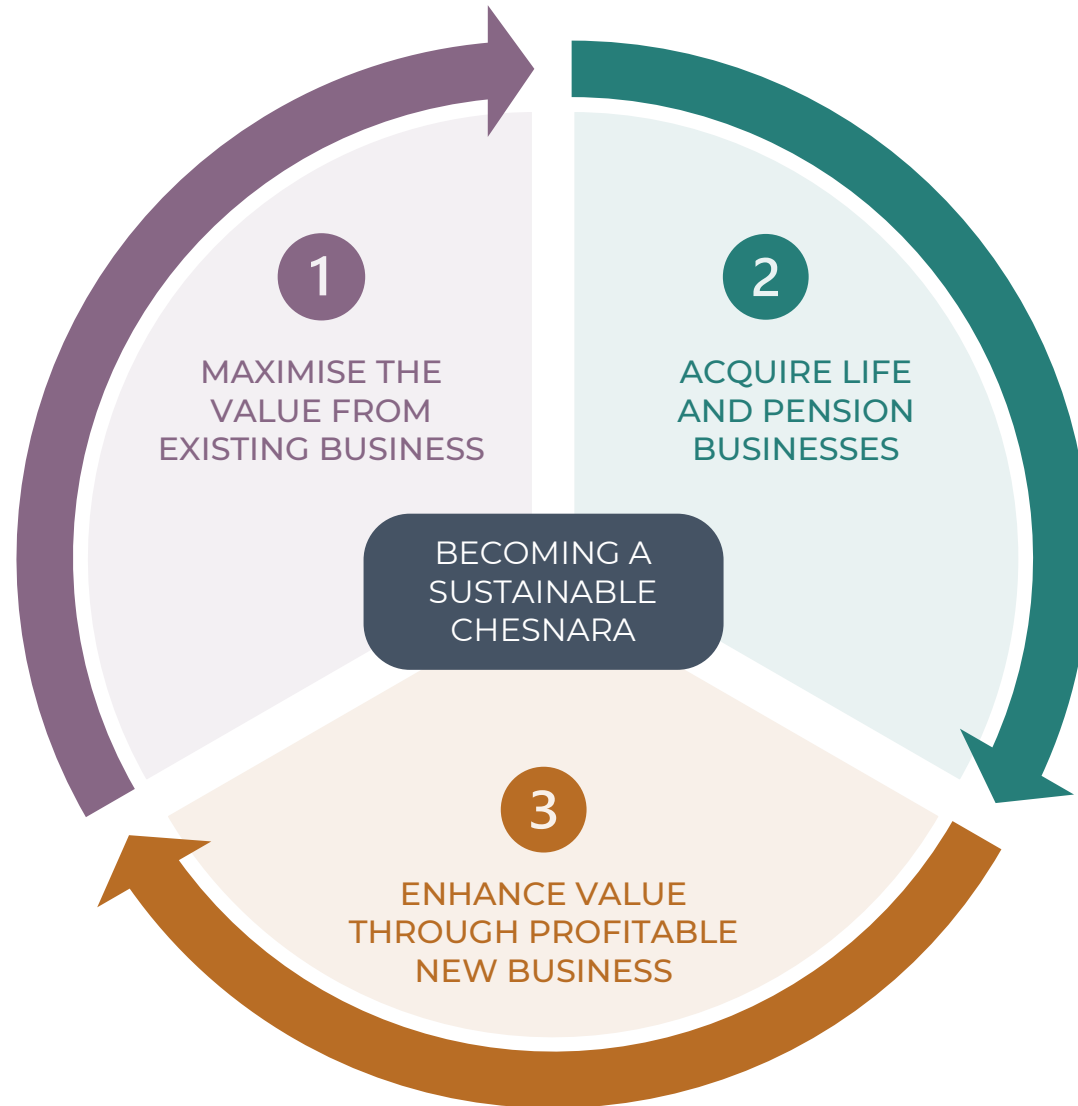
GOOD VISIBILITY ON SOURCES OF FUTURE CASH

RELIABLE SOURCES OF ORGANIC FUTURE CASH GENERATION, EXPECTED TO COVER LONG TERM DEBT COST AND DIVIDENDS; FURTHER UPSIDE FROM FUTURE M&A



CHESNARA HAS A STRONG BASE ON WHICH TO GROW

We have a track record of running insurance books of business at scale, for the benefit of customers, shareholders and our other stakeholders



CHESNARA HAS BEEN ACTIVELY INVOLVED IN M&A PROCESSES OVER THE FIRST HALF, AND PIPELINE REMAINS POSITIVE

KEY DRIVERS FOR M&A ACTIVITY	CHESNARA'S KEY STRENGTHS
Operational simplicity	✓ Strong record of customer service & governance
Disposals of non-core products to release capital	✓ Comfortable managing wide range of books including unit-linked, life insurance, with profit and individual annuities
Focus on specific geographies	✓ Ability to acquire portfolios of policies or entire legal entities
Regulatory change	✓ Positive and long-standing relationships with multiple regulators
Persistent cost inflation	✓ Less likely to be a material competitor on new business than some other consolidators
De-risking of portfolio to macroeconomic shifts	✓ Flexibility on approach to managing assets & investment management

FINANCING CAPACITY OFFERS ABILITY TO FUND A RANGE OF DEAL SIZES

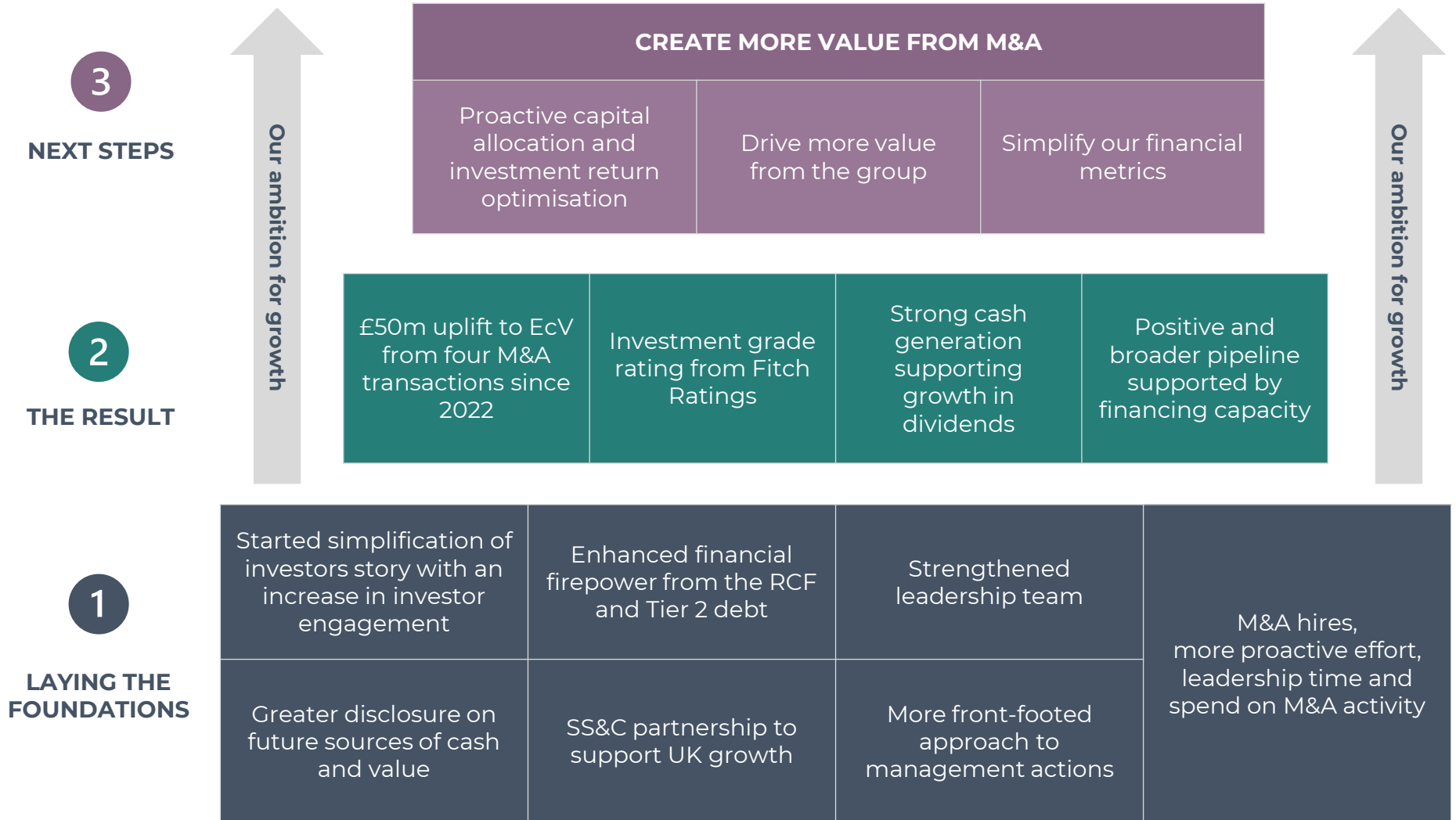
FINANCING CONSIDERATIONS	
SOLVENCY	Normal operating range of 140% to 160%
LEVERAGE	Maintain our investment grade rating
CASH RESERVES	Retain liquid resources to cover the dividend, coupon and working capital for approximately one year
ACQUISITION CAPACITY	Capacity to finance smaller transactions without external fundraising

ACTIONS TAKEN OVER H1 2024	
○	Renewed the RCF of £150m for another three years
○	Obtained shareholder approval to raise up to c£120m of RTI
○	Received £42m of divisional dividends, with a further £7m due in Q4

Not drawn to scale



LAYING FOUNDATIONS HAS DELIVERED RESULTS ...WITH MUCH MORE TO COME





QUESTIONS



APPENDICES

SENSITIVITIES

The charts below provide some insight into the potential range of impacts of certain sensitivities that the group is exposed to, covering surplus and economic value

Whilst cash generation has not been shown in the diagrams below, the impact of these sensitivities on the group's solvency surplus has a direct read across to the immediate impact on cash generation. Each individual bar in the diagram illustrates the estimated impact range (£m) of the respective sensitivities and whether that impact is positive (green) or negative (red). Further details are provided on the following slide.

